

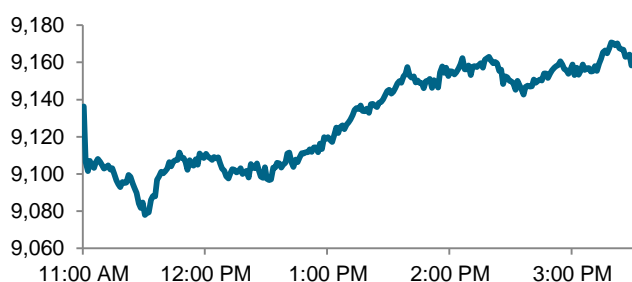
DAILY MARKETS OVERVIEW

السعودي الفرنسي كابيتال
Saudi Fransi Capital
تميز في الخدمة، تفوق في الأداء



6 JULY 2015

TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	9,161	0.3	0.3	9.9	19.2
Petrochemicals	6,334	0.7	0.7	8.1	18.9
Bank & Financials	20,222	0.1	0.1	10.4	13.8
Cement	6,716	0.3	0.3	-2.0	14.0
Telecom & IT	1,791	0.0	0.0	-7.8	12.6
Building & Const.	3,508	0.1	0.1	6.2	17.0
Real Estate	7,554	-0.1	-0.1	27.7	32.2
Industrial Investment	8,411	0.2	0.2	27.6	23.4
Energy & Utilities	6,385	1.0	1.0	13.0	25.4
Insurance	1,556	-0.1	-0.1	22.0	27.4
Agri. & Food	11,541	0.7	0.7	-1.1	23.2
Retail	17,587	0.7	0.7	13.3	26.5
Transport	10,390	0.8	0.8	43.5	23.0
Hotel & Tourism	22,967	-0.6	-0.6	16.2	19.6
Multi-Investment	4,258	-2.1	-2.1	15.7	35.0
Media & Publishing	2,232	-0.3	-0.3	1.4	52.9

Sources: Bloomberg and Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudia Dairy & Foodstuff Co	148.8	8.0%	20.6
Alkhaleej Training and Education Co	55.3	3.5%	9.0
National Petrochemical Co	26.0	3.1%	3.4
Alujain Corp.	21.4	3.0%	60.4
Saudi Printing and Packaging Co	18.7	3.0%	3.3

Source: Tadawul

Earnings Calendar (Latest)

Company	Date	Period	Q NI (SAR mn)	Y-o-Y %	Q EPS (SAR)	Vs. Consensus*
Almarai Co	5-Jul	2Q 15	530	22.4	0.88	BEAT
Advanced Petrochemical Co	5-Jul	2Q 15	243	31.6	1.48	BEAT
Yanbu Cement Co	2-Jul	2Q 15	246	2.1	1.56	BEAT

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of July 6, 2015
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- The TASI advanced 0.3% and closed at 9,161 on Sunday. Value traded totaled SAR 4.3bn and has averaged SAR 5.9bn in the last 30 days. The five most active stocks (by value) accounted for 42.8% of the total daily value traded.
- Petrochemicals gained 0.7% while Banks and Telecom ended almost flat. Energy & Utilities (+1.0%) was the best performing sector while Multi Investment (down 2.1%) lost the most. Saudia Dairy & Foodstuff Co. (2270/SADAFSCO AB), Alkhaleej Training and Education Co. (4290/ALKHLEJ AB) and National Petrochemical Co. (2002/PETROCH AB) were the top gainers.
- The Emirates NBD/Markit Saudi Arabia Purchasing Managers' Index (PMI) has declined to 56.1 points in June (May: 57.0) and indicated that the business activity in the KSA's non-oil private sector remains robust. However, the reading is the lowest level in six years. (Source: Arab News)
- According to economists, Saudi Arabia's banking system remains "largely insulated" from the ongoing events in the Euro Zone. High liquidity levels and solid capitalization ratios were cited as the key positives. (Source: Arab News)
- Saudi Basic Industries Corp. (2010/SABIC AB) has completed the formation of a 50/50 JV with SK Global Chemical Co. to produce polyethylene products using Nexlene technology. The total investment is estimated at SAR 2.4bn (c.USD 640mn) for the technology and construction of the plant. (Source: Tadawul)
- The Board of Saudi Telecom Co. (7010/STC AB) has announced a dividend distribution of SAR 1.0 per share for 2Q 2015, implying an annualized dividend yield of 5.8%. (Source: Tadawul)
- The Chairman of Advanced Petrochemical Co. (2330/APPC AB) has stated that its JV with South Korea-based KS Gas has made progress (for establishing a propylene plant). Trial operations of the plant is expected to start in late 2015 and the commercial operation will begin during 1Q 2016. (Source: Mubasher)

Coming Up

- The Tadawul will be closed for Eid Al Fitr holiday from the end of the trading day effective Wednesday, July 15, 2015 and will resume after the holidays from Wednesday, July 22, 2015. (Source: Tadawul)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Saudi Arabian Cooperative Insurance Co	23.1	-5.7%	28.1
Kingdom Holding Co	20.2	-5.6%	15.0
Salama Cooperative Insurance Co	17.1	-3.7%	12.8
Solidarity Saudi Takaful Co	12.9	-3.3%	7.9
Saudi Transport and Investment Co	68.0	-3.1%	23.7

Source: Tadawul

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Ground Services Co	74.3	2.5%	873.2
Alinma Bank	23.0	1.6%	394.8
Saudi Basic Industries Corp	96.3	1.4%	294.8
Takween Advanced Industries	79.5	-2.6%	157.8
Al Rajhi Bank	60.0	-0.5%	129.9

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	4,069	-0.5	-0.5	7.8	12.1
Abu Dhabi (ADX)	4,738	0.2	0.2	4.6	12.0
Kuwait (KSE)	6,190	0.1	0.1	-5.3	15.9
Qatar (QE)	12,008	-0.9	-0.9	-2.3	12.7
Oman (MSM)	6,434	-0.2	-0.2	1.4	9.7
Bahrain (BSE)	1,349	-0.1	-0.1	-5.4	8.7
DJMENA Index	610	-0.1	-0.1	1.6	NA

Source: Bloomberg

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,077	NA	-1.2	0.9	18.3
US (NASDAQ)	5,009	NA	-1.4	5.8	20.0
UK (FTSE 100)	6,586	-0.7	-2.5	0.3	20.7
Germany (DAX)	11,058	-0.4	-3.8	12.8	17.8
France (CAC 40)	4,808	-0.6	-5.0	12.5	24.8
Russia (MICEX)	1,632	-0.6	-0.8	16.8	9.7
Japan (Nikkei)	20,540	0.1	-0.8	17.7	22.9
Hong Kong (HSI)	26,064	-0.8	-2.2	10.4	10.5
South Korea (KOSPI)	2,104	-0.1	0.7	9.9	12.4
China (SHCOMP)	3,687	-5.8	-12.1	14.0	19.0
India (NIFTY)	8,485	0.5	1.2	2.4	22.2
Brazil (IBOV)	52,519	-1.1	-2.8	5.0	32.2
Turkey (BIST 100)	81,217	-0.8	-2.8	-5.3	10.5
Egypt (EGX30)	8,218	-1.2	-1.2	-7.9	13.3
MSCI Emerging Markets	964	-0.7	-1.7	0.8	13.9
MSCI World	1,744	-0.2	-1.8	2.0	18.4

Source: Bloomberg

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	60.3	-2.8	-4.6	-4.0	-43.4
Natural Gas (\$/mmbtu)	2.8	-1.8	0.0	-8.5	-32.1
Gold (\$/oz)	1,167.8	0.4	-0.7	-1.4	-11.6
Silver (\$/oz)	15.7	0.6	-0.9	-0.3	-26.0
Platinum (\$/oz)	1,083.2	-0.1	-0.1	-10.3	-27.6
Copper (\$/t)	5,759.0	-0.6	0.2	-9.6	-19.6
Zinc (\$/t)	2,019.0	-0.1	-0.3	-6.8	-9.5
Lead (\$/mt)	1,756.0	-0.7	-0.8	-5.2	-18.6
Wheat (\$/bu)	590.5	0.3	4.0	-2.4	-10.4
Corn (\$/bu)	428.5	1.4	9.2	3.2	-3.4
Sugar (\$/lb)	12.3	-1.1	2.9	-21.5	-36.9

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	0.28	0.00	0.02	0.00
Saudi Arabia	0.77	0.00	-0.08	0.49
UAE	0.75	0.00	0.08	0.47
Kuwait	1.25	0.00	0.19	0.97
Qatar	1.14	-0.01	0.08	0.86
Bahrain	0.70	0.00	NA	0.42

Source: Bloomberg

NOTES: (1) Prices updated as of July 6, 2015
(2) WTD: Week to Date and YTD: Year to Date
(3) *Spread over 3-month USD LIBOR

GCC & Global Markets Update

- Global markets were closed for trading on Sunday, July 5, 2015.
- Asian markets opened mixed on Monday. Japan and South Korea fell 1.8% each while Hong Kong declined 2.6% in early trade. China advanced 2.1% while India opened 0.8% lower.
- The GCC markets closed mixed on Sunday. Abu Dhabi gained 0.2% and was the best performing market (ex-KSA). Qatar fell 0.9% while Dubai declined 0.5%. Oman was down 0.2% while Kuwait and Bahrain ended almost flat.
- Crisis in Greece escalates as the Greeks have overwhelmingly rejected the conditions of a rescue package from its creditors through the Sunday's Referendum of "No". Prime Minister Alexis Tsipras added that the people's mandate is not of a disagreement with Europe, but a mandate to "strengthen" Greece's negotiating position. (Source: Reuters)
- Brent crude oil price fell sharply this morning to below c.USD 60 per barrel over concerns and uncertainty in Greece, which analysts view, is "bearish for oil". (Source: Reuters)
- Economists' view that Russia will be the biggest oil market loser if Iran returns back to the global energy market and will compete in Europe "head-on" with Russia. Iran has been barred from selling oil in Europe since 2012 and with tough sanctions from the US, Iran's output dropped from 3.6mn barrels per day (bpd) in 2011 to 2.6mn bpd in 2014. Russia was the main beneficiary of this decline with exports into Iran's main markets in Asia/Europe having more than doubled; growing by c.420,000 bpd from 2011 to 2014. Meanwhile, the US Secretary of State, John Kerry, has "tempered expectations" over the ongoing nuclear deal talks with Iran, a record ninth straight day of negotiations. (Source: Bloomberg)
- According to officials at the State-owned Egyptian General Petroleum Corp. (EGPC), Egypt's debt to foreign oil companies stood at C.USD 3.5bn at the end of June 2015, an increase of +6.1% QoQ. Egypt's Oil Ministry had earlier stated (in March 2015) that it will "fully repay" its debt to oil companies by mid-2016. (Source: Arab News)
- The Emirates NBD UAE Purchasing Managers' Index (PMI) has declined to 54.7 points in June (May: 56.4) and indicated that the business activity growth in the UAE's non-oil private sector has slowed to a 22-month low in June. (Source: Zawya)
- Egypt has raised the natural gas prices it pays Italy-based Eni and Edison for their natural gas produced in Egypt from new discoveries. The Oil Ministry has signed a deal that amended the price for gas with Eni to a maximum of USD 5.88 per mmbTU and a minimum of USD 4.0 mmbTU based on the output produced. This is up from the earlier pricing of USD 2.65 per mmbtu. (Source: Reuters)
- The UAE-based Dana Gas has obtained a favorable ruling from a London arbitration tribunal over its dispute with Kurdistan authorities (worth c.USD 1.9bn). Dana Gas is among the largest oil and gas investors in the Iraq's Kurdish region. (Source: Trade Arabia)

Coming Up

- The US PMI Services Index (consensus: 55.1, prior: 56.2) and the ISM Non-manufacturing Index for the month of June (consensus: 56, prior: 55.7) will be released today. (Source: Econoday)
- The US Consumer Credit (consensus: +USD 18.5bn MoM, prior: +USD 20.5bn MoM) and the International Trade balance (consensus: deficit of USD 42.7bn, prior: deficit of USD 40.9bn) for the month of May will be released on Tuesday, July 7, 2015. (Source: Econoday)

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